### UNIVERSITY OF CAPE COAST

# HUMAN RESOURCE MANAGEMENT PRACTICES IN SELECTED HOTELS IN THE ACCRA METROPOLIS

BY

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AWARD OF MASTER OF ARTS DEGREE IN HUMAN RESOURCE
MANAGEMENT

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**DECLARATION** 

**Candidate's Declaration** 

I hereby declare that this dissertation is the result of my own original work

and that no part of it has been presented for another degree in this university or

elsewhere.

Candidate's signature: ...... Date: .....

Name: Stella Harding

**Supervisor's Declaration** 

I hereby declare that the preparation and presentation of the dissertation

were supervised in accordance with the guidelines on supervision of dissertation

laid down by the University of Cape Coast

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#### **ABSTRACT**

This study aimed at finding out if human resource management (HRM) practices are employed stringently in the hospitality industry particularly the hotel industry to attract, equip and maintain the right people to deliver quality service. It had an objective of finding out the perception of management of hospitality facilities on HRM practices such as recruitment, selection, training and motivation to get the right people to offer quality service and to reduce labour turnover.

The study adopted a non-experimental research design. Specifically, the study was descriptive in nature. The purposive sampling procedures were employed to select the five (5) human resource managers (HRM) of the selected top star hotels. The rest of the population were selected from the guests of the respective hotel using the same technique and amounted to sixty (60) making a total sample size of sixty five (65). Questionnaires and in –depth interviews were used to solicit information from these respondents.

The study found out that the majority of human resources in the top rated hotels had at least secondary education and quite a substantial number (36.5%) had professional qualification. The staff members had adequate knowledge on human resource management practices and management to a large extent employed HRM practices to recruit, select, equip and maintain the right people for the provision of quality service. Such findings have significant implications for the industry in view of the national pursuit of promoting the tourism industry in Ghana. It is recommended that management of locally owned hotels employ a comprehensive human resource policy to improve on quality of services offered.

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# **DEDICATION**

Dedicated to my dad, mum and husband for their support, encouragement and prayers throughout the period of this programme.

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## LIST OF ABBREVIATIONS/ACRONYMS

C.V Curriculum Vitae

DFID Department for International Development (U.K)

GDP Gross Domestic Product

GTB Ghana Tourist Board

HRM Human Resource Management

SPSS Statistical Product and Service Solution

US \$ United States Dollar

WTTC World Travel and Tourism Council

#### **CHAPTER ONE**

#### INTRODUCTION

### **Background to the study**

Worldwide, tourism is now one of the fastest growing economic sectors. It contributes around three percent of total national output and around ten billion pounds from incoming tourism worldwide. The fact that millions of people eat meals at or near their places of work or study, rather than at home, would not be possible without restaurants, cafes, public houses, fast food and take away establishments, or in-house catering facilities. Furthermore the improved standard of living enjoyed by most people has resulted in many more ordinary people being able to enjoy a meal or a day out for pleasure rather than necessity (Boella 1996:16).

Yet in spite of the enormous benefits that are facilitated by the hospitality industry, the educational and economic advancement of large numbers of the industry's staff has not kept pace with that enjoyed by working people elsewhere thereby affecting the morale of staff which in turn affects the level of service offered, hence the patronage of hospitality facilities.

Tourism is becoming one of the dominant sectors of the economy worldwide. Currently, over eight percent of all jobs worldwide are estimated by the World Travel and Tourism Council (WTTC) to depend on travel and tourism,

which is expected to create over 5.5 million jobs per year over the next decade. Also according to the WTTC, direct spending by international visitors on tourism amounted to eight percent of world exports in 1999.

A large number of countries depend on tourism for their economic growth. A recent study done by DFID concluded that "While poor countries only command a minority share of the international tourism market, tourism can make a significant contribution to their economies. Eighty percent of the world's poor live in twelve countries, in eleven of these tourism is significant (accounting for over two percent of Gross Domestic Product (GDP) or five percent of exports) in almost half of the low income countries and almost all the lower-middle income countries".(Christie & Crompton, 2001:1 cf. DFID).

Based on the above figures and the 1996 data collected by DFID, tourism can be said to be significant in a number of African countries, including South Africa, Tanzania, Kenya, Zimbabwe and Ghana. According to the World Tourism Organisation, Africa as a whole attracts just fewer than four percent of total world tourists and accounted for 2.0% of international tourism receipts in 1997. Of the sub-Saharan countries, only South Africa is listed in the top forty tourism destinations worldwide, where it was 26<sup>th</sup> in 1997. The World Tourism Organisation calculates that Africa has just over 3% of world accommodation capacity (796,000 beds).

However, the Africa region showed the strongest expansion in arrivals of tourists of any world region in 1997, rising up to 81% over the 1996 figure. Furthermore, during the 1988-97 decade, Africa had an average annual growth of

7.2% in visitor arrivals, only slightly lower than countries of East Asia/Pacific, which had the highest growth rate of all regions though from a much higher base than Africa. The average annual growth rate for tourist arrivals worldwide has averaged 5.0% for the past decade (World Tourism Organisation 1998).

Given the region's small market share of travel and tourism and the expected dynamic growth of the sector worldwide, African countries can increase their share of the tourism market. Despite the low accommodation base in the region, an expansion of investments in hotels and other accommodation alone will not necessarily result in an increase in economic benefits to be proportionate with the investment. Accommodation as an essential condition, tourism must create value added service for international travellers and provide an experience that is unique for them. Thus, tourism products and services must be built upon intrinsic tourism assets that can compete internationally.

The natural assets must be accompanied by and packaged with appropriate and competitive in-built assets such as accommodation, tourist services, and infrastructure, as well as a safe and healthy environment for tourists. The selected packages should create a distinctive quality product that draws tourists to them and away from alternatives elsewhere in the world.

In today's globalized market, a country competes with every other destination in the type and price of tourism it offers. If African countries are to be successful in competing in the international tourism market, standards of excellence must be introduced for its products, particularly for infrastructure, accommodation and services. Management and administration of the sector must

shift to policies that encourage tourism and must also invest in expanded human resource development in addition to other policies that must be developed. These policies may add value to the final consumer of the service as determined by the quality of all these components of the tourism package (Christie & Crompton 2001:2).

Although not widely recognised as a tourist destination and international knowledge of its potential and attractions is limited, Ghana does have natural and cultural/historical attractions. International tourist arrivals in Ghana increased from 172,464, in 1991 to 530,827 in 2003. Tourism receipts also increased from \$117.70 million in 1991 to \$579.57 million in 2003. The principal market segments include business travellers attending meetings and conferences, visiting friends and relatives, individuals on official mission and vacations. Domestic tourist arrivals in Ghana are estimated to be ten times the international arrivals and market trends indicate a growth in trend of international tourism, with tourists demanding better services in line with their specific interests (Ghana Tourist Board 2004, Christie & Crompton 2001:29).

The importance of the tourism industry to the local economy seems to be increasing with time. Since 1988 tourist arrivals I Ghana have grown more than 200% to the current 986.80.tourism is currently the fourth highest contributor to the nations foreign exchange earnings and contributes about 6% to the gross domestic product(GDP) and employing more than 250,000 people, both directly and indirectly (Ghana Statistical Service, 2006). Similarly when considering the

receipts which have also grown to the current 1.5 billion dollars. Again the sector is becoming increasingly important to the domestic economy for three main reasons.

First, income from the country's two main export items, Cocoa and Gold, tend to fluctuate, thereby rendering expected income from the unpredictable. Secondly, receipts from tourism have shown a steady 7-10% increase over the past ten years. Thirdly, and the most significantly, tourism is the only one of the country's top four foreign exchange earners whose contribution to Gross Domestic Products and government revenue has increased consistently over the past five years (Bank of Ghana, 2006). Added to the se fact that revenue from Hotels and Restaurants Customers tax grew from Ghana 24 million in 2000 to Ghana 65.3 million (approximately \$7m) in 2003, a 173% increase. Also the number of hotels in the three stars plus category has grown by almost 50% with increasing occupancy rates over the past five years (Ghana Tourist Board, 2006). These figures, coupled with increasing arrivals in recent times, paint the picture of an expanding sector.

In addition, it is expected that tourism development will stimulates infrastructural development, particularly, in the rural areas as well as providing leisure facilities for local people to enhance their total development. In order for tourism to produce the needed development anticipated, there is a need for effective human resource management in the tourism industry.

Table 1: International tourist arrivals and receipts in Ghana (1988-2006)

Year	Arrival	Receipt (US\$M)
1988	113,784	55.34
1989	125,162	72.09
1990	145,780	80.83
1991	172,464	117.70
1992	213,316	166.90
1993	256,680	205.62
1994	271,310	227.60
1995	286,000	233.20
1996	304,860	248.80
1997	325,438	265.59
1998	347,952	284.96
1999	372,853	304.12
2000	399,000	396.00
2001	438,833	448.00
2002	482,643	519.00
2003	530,827	602.80
2004	583,821	649.37
2005	428,533	836.09
2006	497,129	986.80

Source: Ghana Tourist Board, 2006

In recent times, it has become imperative and increasingly evident that effective human resource management practices are not only needed but very vital to an organisation's success and therefore have to be properly pursued. Organisations need to effectively coordinate their resources – land, labour, capital etc in order to achieve organisational objectives. However labour is said to be the single most important driving force behind all the other resources and in a labour intensive sector like the hospitality sector it is indeed the single most important driving force. Human beings are valuable assets and represent one of an organisation largest investment, they therefore need to be adequately planned for and managed.

The hospitality industry, need to utilize their human resources effectively in order to provide the much needed high quality service to ensure repeated patronage to increase or improve profitability. In a labour intensive industry such as the hospitality industry, it is the effective management of human resources that sets one hospitality establishment above the other and to encourage repeat patronage, hotels must meet the tourist's expectations of service quality. As such it is necessary for the hotels to develop effective human resource management practices capable of providing quality service.

#### **Statement of the problem**

The hospitality sector of the tourism industry, unlike all others, is especially labour intensive and resistant to the automation which characterizes other industries such as manufacturing, retailing, transportation and agricultural production. Despite its recent impressive growth and financial success globally, the hospitality sector is also perhaps the most sensitive to a wide range of external and internal shocks which at all times threaten its very survival (Nankervis 2000). For example, forest fire or a tsunami could adversely affect tourism; currency crises on the other hand could enhance the attractiveness or otherwise of a destination or fluctuating exchange rate could deter potential visitors.

As a heavily labour intensive industry then, hospitality presents an excellent case-example of the management of human resources within a dynamic and often volatile external and internal industrial environment. Apart from the external factors which affect this industry, there are also a number of unresolved internal dilemmas which affect the success of the hospitality sector in all countries. Most, if not all, of these pressures impact on the effective management of a hotel's human resources (Nankervis 2000:2&3).

Many hospitality service providers consider the provision of physical structures (that is buildings and other facilities) as more important to the hospitality industry than the human resource. It is known that in the hospitality industry, the quality of service delivery depends on the way employees are motivated to deliver the service. This point is further buttressed by Rocco Forte who said that 'In a service industry the most important ingredient in the product is people. The quality of our people determines the quality of the service we give to customers and thus our success in the market place. Not surprisingly almost every discussion we have in the company starts or finishes with personnel matters. We recognise that we can only continue to exist by attracting, training and motivating

good people. Doing that successfully means having a caring and efficient personnel function to assist line managers in what is one of their primary responsibilities" (Boella, 1996:15).

According to Boella (1996) "Customer satisfaction begins not with the customer, but in the relations between those who manage and those who are managed, so one must start right at the top and ensure that company policy about personnel management is clear and unmistakable" (Boella, 1996:15). However, the human resource aspect of the hospitality industry in this country has been neglected for sometime and no serious and sustained measures have been initiated to meet the necessary manpower needed to run the sector and to provide quality service; competent workers who are also not well motivated leave the industry.

Again according to Boella (1996) in his book "Human Resource Management in the Hospitality Industry," the ultimate test of hospitality management occurs at the point of contact between service staff and customers and as such the standards achieved depend on the system of recruitment, selection and training in a particular enterprise. Sophisticated techniques of marketing, planning, food and beverage control or computer application may be used in a business but the extent to which employees can successfully cope with their job will determine the level of service. Thus the study seeks to find out the human resource management strategies employed by the hospitality industries to attract, equip and motivate employees in order to achieve the best standards in service delivery.

## **Objectives of the study**

Generally, this study aims to find out the human resource management strategies employed in the hotel industry, and how the hotel cultivates its service culture in employees in order to provide them with the rules of behaviour in quality service delivery. Specifically, the study examined the:

- 1. calibre of human resources employed in the hotel sector.
- 2. measures taken to get the right people to offer quality service
- 3. training schemes in place to improve the employee's skills
- motivational packages put in place to retain employees and to enable them provide customer-oriented service
- 5. labour turnover rate in the hotel industry and underlying reasons
- employees' awareness of human resource management strategies in the hotel industry

## **Research questions**

With reference to the objectives stated above, the study attempts to answer the following questions:

- What procedures are followed to recruit and select employees to work in the hotel sector?
- What professional qualification do employees possess to work in a hotel?
- What training programmes or policies are in place to equip the employees to deliver quality service?

- Which measures are in place to motivate or stimulate the employees to give of their best?
- How do workers perceive the conditions of service in the hotel industry?
- Which measures are in place to retain or keep them?
- What is the labour turnover rate of staff in the hotel industry, and why.

#### Significance of the study

Ghana aims at developing and improving its tourism sector, in order to make it a major source of revenue due to the unstable price of cocoa on the international market. However, this aim may not be realized if the rate of poor service quality that constantly confronts tourists is not urgently addressed.

The tourism and hospitality industry sells intangible products which are produced and consumed simultaneously, making it difficult to correct any defects on the product before it gets to the final consumer. The multifaceted nature of the tourism industry further complicates the situation as the total experience gained by tourists is a total of the services provided by several people, establishments, industries and facilities. As a so that a bad service provided by one person can affect the entire tourist experience.

Moreover, since the tourism industry is becoming increasingly competitive with tourist attractions and facilities springing up everywhere, the only thing that puts one destination ahead of the other is the quality of its service. The importance of service quality to emerging tourist destinations cannot be overemphasised as tourism destinations depend on repeat visits and word-of-

mouth publicity for survival. A bad experience during a service encounter could mar the entire vacation experience which could consequently result in a negative word-of-mouth publicity for the destination.

A customer who is dissatisfied will typically inform many people and this in the long run affect sales returns. A destination that does not deliver quality service is therefore likely to suffer reduced appeal, patronage and bad publicity, thereby losing its tourists to competing destination. It is, therefore, dramatic that the Ghanaian government is now paying attention to enhancing the quality of services in its tourism and hospitality establishment. This is because service failures and poor service quality are national problems which affect every facet of the Ghanaian society. Much as tourist and tourism investors depend on the public sector institutions, it is mostly the private sector businesses like hotels, restaurants, travel and tour agencies, and car hire services that deal directly with tourists. Therefore, any attempt at improving customer service must commence with the above private sector businesses whose front line staff inter-face with tourist (Mensah, June 2005:7).

In a developing country like Ghana there are certain organisational characteristics and human resource issues such as low levels of education and training, low motivation and morale, poor infrastructure and many more that result in most tourism and hospitality facilities not having a service culture and customer service orientation. Looking at the characteristics of most tourism and hospitality facilities the issue of service quality or good customer service must be

tackled by taking a holistic approach to solving organisational and human resource management issues.

In effect, the tourism and hospitality industry is increasingly becoming competitive and in times like these, it is only service quality that provides the competitive edge. However Ghana's tourism industry is characterized by service failures and some amount of hostility towards tourists. This is attributable to organisational and human resource management characteristics and the context in which most tourism businesses in Ghana operate. Managers of tourism facilities and tourism trade associations therefore need to address this issue in a holistic manner so that we don't kill the goose that lays the golden egg, and that is why this study is being undertaken (Mensah, June 2005:9). The study therefore will serve as a policy document to improve the knowledge based of the hospitality industry. It will also serve as a source of information to other researchers who will like to research into the industry.

#### Organisation of the study

This study is divided into five chapters. Chapter One gives a general overview of tourism, statement of the problem, objectives of the study and research questions. Chapter Two focuses on the literature review and conceptual framework while Chapter Three consists of methodology. Chapters Four presents the analysis and discussion of data collected; Chapter Five contains the summary of the findings and the conclusions drawn from them.

**Definition of terms** 

For the purpose of this study the following terms or concepts should be

understood and applied as defined below:

Hospitality Industry: A business that cares of people who are away from home

Hotel: A commercial establishment providing lodging, meals, and other guest

services. In general, to be called a hotel, an establishment must have a minimum

of six letting bedrooms, at least three of which must have attached (ensuite)

private bathroom facilities. An establishment providing accommodation and

meals for payment from customers.

Tourism: The organisation and operation of holidays especially a commercial

enterprise. Tourism is travelling for predominantly recreational or leisure

purposes or the provision of services to support this leisure travel.

Tourist: A person making a visit or someone who travels and stays at a place for

more than a day but not more than one year and also participate in activities that

are not remunerated at the destination.

Employee: A person employed for wages or salary in a giving organisation. An

individual who works part-time or full-time under a contract of employment,

whether oral or written, express or implied, and has recognized rights and duties.

Customers: A person who buys goods or services from a shop or business.

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#### **CHAPTER TWO**

#### LITERATURE REVIEW

#### Introduction

This chapter is concerned with the available literature in the tourism and hospitality development discourse. Among the items to review are the nature of the hospitality sector, service quality, human resource practices in the hospitality industry, and it also looked at the importance of the human resources to the hotel industry and was concluded with the conceptual framework of the study which is deemed to be the bedrock of the research.

The improved standard of living enjoyed by a considerable number of people in Ghana has resulted in many more people staying away from home for leisure or enjoying a meal out for pleasure rather than necessity. Whether people stay away from home for leisure or business purposes, they need a roof over their heads as well as food and drink. In other words, they just do not need accommodation and catering but a place that provides all the comforts of their homes and even more. The accommodation and catering which people have on holiday, for example, are so important to them that if these two elements of the holidays are not satisfactory the entire trip can be ruined (Davidson, 1993:68).

The curiosity of friends of people returning from holidays, about hotel and food condition is an indication of the importance of a good holiday experience. As

the world grows more complex, the importance of delivering high quality service will continue to increase. This means delivering the kind of service the customer expects, for example, fast food customers expect to obtain their orders quickly fresh and tasty (Jerris, 1999:15).

Besides knowing what kind of service to deliver, hospitality establishments must deliver the service right, the first time. This is because unlike manufacturing, where mistakes in products can be noticed and corrected, service is an intangible commodity, hard to quantify and judge because service quality is "in the mind of the beholder" (Jerris, 1999:15).

Hotel industry is considered as a principal component in tourism (Opoku, 1999) and also the hub of tourist trade, (Opoku, 1999). As such there is the need to examine the activities of the hotel industry especially the human resource aspect. The number of hotels in the country increased from 419 in 1991 to 1315 in 2004 (Ghana Tourist Board, 2004) comprising one 5-star, four 4-star, twenty five 3-star, one hundred and thirty five 2-star, one hundred and fifty one 1-star and nine hundred and ninety nine lower rated hotels known as budget hotels.

As noted above the extent of growth and success of tourism depends to a very large extent on the number and standard of hotels available and the quality of service offered. This chapter therefore attempts to look at the nature of the hospitality sector, the hotel sector as well as the issue of service quality. It also looks at the importance of human resource management to the hospitality/ hotel sector and the strategies of human resource management in the local industry. Some findings of works in this area will also be looked at.

#### The nature of the hospitality sector

The term hospitality conveys an image that reflects the tradition of service, dating back many centuries. To most people, it consists of only hotels and restaurants. However, the Oxford English reference dictionary defines hospitality as the friendly and generous reception and entertainment of guests or strangers. According to Jerris (1999) the hospitality industry is made up of businesses that take care of people who are away from home. In other words the hospitality industry includes hotels of all ranges and class, restaurants, fast food outlets, entertainment centres such as theme and adventure parks and ancillary facilities. But for the purposes of this study our focus will be on the (hotel sector) accommodation or lodging aspect of the hospitality sector.

A hotel can simply be said to be an establishment that caters for the needs of people who are away from home or their original place of domicile and therefore caters for their accommodation, food, drinks and other facilities. Hotels come in various categories such as resort hotels, airport hotels and five to one star hotels.

Most of the jobs created by tourism are in accommodation and catering (Davidson, 1993). Such employment opportunities are of various kinds which require specific educational qualifications, skills and experience. The size of a hotel can affect its organisation and operation, for instance large hotels are usually divided into distinct departments which specialize in providing particular types of service, while in medium-sized and small hotels, the departments are less specialized and staffs have a wider range of duties.

In their simplest form, all hotels offer similar services, namely, accommodation, restaurants, bars and ancillary facilities such as shops, gyms or fitness centres, saloons etc. Competition and diverse guest markets e.g. Leisure, business, individual or group tourists' demand that the sector provides a variety of accommodation types ranging from the low rated budget hotels to the star rated hotels (Nankervis 2000).

A five-star hotel charges more than a one or two star hotel. These ratings are determined by the industry's directorate such as the World Tourism Organisation. They are customised to suite local conditions by the Ghana Tourist Board, and sanctioned by them without taking into accounts the quality of service which by their own reports distinguishes one hospitality facility from the other. In other words the ratings are done based almost entirely on the facilities provided such as restaurants, bars, gyms, swimming pools etc without taking into consideration the quality of service offered at these outlets. The question one may ask is what differentiates a Hilton hotel from any other hotel if not for the quality of services offered.

However, the hotel industry which is a fiercely competitive industry, labour-intensive and often dependant on market or customer preferences, fails to properly define the dimensions of this competitive edge (Nankervis 2000). In essence, if service is, as many hotel managers suggest the defining element of their attraction to their guest markets, what then is their "product" and subsequently, how should their "production processes" be structured through their

human resource management strategies to ensure guest satisfaction, repeat business and continuing productivity and profitability? (Nankervis, 2000).

Unlike other industries or sectors, the hospitality industry, as mentioned in chapter one, is the most vulnerable and especially susceptible to factors such as political stability, economic conditions, social trends and the fickleness of the various guest markets. All these issues impact on staffing levels in the hotels and the viability of the sector. (Nankervis 2000) For example, Nankervis (2000) reveals that Hong Kong's hospitality sector suffered a significant decline in the months following its resumption by the People's Republic of China. Brunei has also been constrained from tourism and hospitality development until recently, due to Islamic restraints. Apart from the most crucial economic factor of currency exchange which affects the viability of the sector in Southeast Asia, negative perceptions of hotel occupations and associated cultural factors in places like Australia, New Zealand, Singapore etc, makes it difficult for hoteliers to attract high quality employees. This problem is further compounded by the nature of hotel employment which is characterized by low wages, absence of incentives such as promotion and lay-offs due to the poor image of the sector (Opoku, 1999).

As an illustration of the poor image of hotel occupations Nankervis (2000) study of hotels and resorts in several regional locations (e.g. Indonesia, Singapore, Malaysia, Australia and New Zealand) reported that in all these countries the notion of service in the hospitality sector was almost universally regarded as unfavourable. As one former Singaporean researcher states "...serving people

have been traditionally perceived as degrading work in Chinese culture..." (Nankervis, 2000).

There is also a moral element. Many conservative parents do not want their children to work in hotels. Similarly many men do not want their wives to work in hotels. These people see hotel jobs as one step from working in a night club (Nankervis, 2000).

At another level, a postgraduate studies conducted by Opoku (1999) on the Human Resources in Hotel Industry in Ghana, dwelt mostly on the human resources management practices in the hotels which affect the performance of staff. The researcher discovered from the thirty hotels ranging from 2-star to Budget hotels in Accra and Tema, that majority of personnel did not have appropriate professional qualifications in their respective fields.

Unlike the findings of the research conducted by Nankervis in the Southeast Asia and Pacific rims, Opoku (1999) found out that the Ghanaian hotel or hospitality sector is not saddled with the problem of poor image of hotel occupation as management did not mention that as one of the reasons for not attracting employees. However, about eighty percent (80%) of respondents indicated poor human resource practices as their reason for leaving the hotel sector. This however ties in with the nature of hotel employment which is characterised by low wages, lack of incentives as raised by Nankervis (2000).

Again according to Opoku (1999) one of the reasons for such high rate (i.e. 80%) of unqualified staff in the hotels is the poaching of staff. Management is not encouraged to invest in staff development since expected returns are not

derived in terms of improved services from the trained personnel who immediately leave the organisation after their training. For example about eighty percent (80%) of the guests interviewed by Opoku stated poor service quality in these hotels and complained that performance of service staff is generally poor. Job satisfaction was seen to be low in the hotel sector as only thirty four percent (34%) indicated their intention to remain in the sector till retirement. The majority of staff interviewed intends to stop working in the sector clearly indicating poor working conditions prevailing in the sector thereby affecting their performance.

According to Wiley (1995) employee's put in more effort in attaining organisational goal only when they are pleased with the consequences of work like attainment of rewards, career development and job security. These employees naturally rectify inequity in industry by altering their efforts, thereby explaining why the performance and commitment of employees in the hotel sector are low, hence, resulting in poor quality service.

In addition to the poor working conditions, lack of training for hotel staff and a greater percentage of unqualified staff, coupled with the issue of poor motivation or the absence of motivational strategies in the hotel sector, unhealthy relationship between employees and employers, lack of workers union in the hotel sector, absence of orientation or induction given to hotel staff upon recruitment and selection are among a number of issues affecting the performance of hotel staff in Ghana hence the quality of service offered.

## **Service quality**

The defining characteristic of the hospitality sector is its service quality. It is this which distinguishes one hospitality facility or hotel from another. However according to Nankervis (2000) industry professionals have been unable to accurately define the nature and dimensions of the product and production processes that constitute service quality. Groonroos (1990) have pointed out that the service encounter, which is also known as the "moment of truth is simultaneously the product as well as the production process of the hospitality sector, unlike the distinction present in either the manufacturing or transportation industries (Nankervis 2000).

The quality of service provided is that which gives a hotel a competitive advantage over others and, according to Nankervis, it is provided by the hotel's human resources. As such if a hotel is unable to clearly define what constitutes its service quality, it will be unable to recruit, train, develop, promote, reward and manage the employee's performance in ways which would ensure continuous service quality.

Nankervis (2000) notes that to help industry professionals to accurately define what constitute service quality developed a model, known as the SERVQUAL model. The model provides a competency based approach to the measurement of service quality. The model divides service quality into tangibles and intangibles. The tangibles being the physicals and the intangibles comprising the interactive service which they divide into certain variables that can be translated into quantifiable measures of employee performance.

The intangibles include the production process which could be translated into checking guests in on time, delivering luggage's on time, matching room location and cleaning schedules, the accuracy and efficiency of check out and sealing procedure and, the friendliness of the staff with whom the guests interact. All these service encounters must be linked effectively. In other words a guest should not experience an effective check-in while room allocation might not be ready for occupancy or luggage delivered on time but slow check-out and incorrect bills. Only if things are done in this way, will guests or tourists experience satisfaction and perceive a hotel to be efficient and capable of delivering quality service. After all, the hotel service encounter, otherwise known as the moment of truth, is the product and a series of such encounters is the production process which constitutes the intangibles (Nankervis 2000).

The issue of service quality is important because the survival of the hospitality sector depends on it. And it is the quality and the proper management of the sectors human resources that determine the quality of service provided.

## **Human Resource Management practices in the hospitality industry**

Human Resource management can be defined as a strategic and coherent approach to the management of an organisation's most valuable assets: the people working there who individually and collectively contribute to the achievement of its objectives (Armstrong, 2001:3). Kinicki and Williams (2003:283) also define Human Resource Management as consisting of the activities managers perform to plan for, attract, develop and retain an effective workforce.

According to Armstrong, the overall purpose of human resource management is to ensure that the organisation is able to achieve success through people. Jerris outlines some of the human resource management practices in the hospitality industry as Recruitment and Selection, Training and Development, Compensation and Benefits, Performance appraisal and employee relations. But for the purposes of this study the focus will be on getting the right people (recruitment & selection), equipping them (training & development) and maintaining them which has everything to do with motivation.

#### Recruitment and selection

Recruitment and selection otherwise known as the staffing function is usually perceived as the initial step in bringing people into the organisation, even though there are a number of steps to undertake such as strategic human resource planning, before a candidate is brought into an establishment. It is the process of locating qualified applicants to fill available jobs in the hospitality operations. The basic objective of recruiting job candidates is to attract not only numbers but quality (Jerris 1999:98).

In other words, it is a process that creates a pool of qualified applicants from which those who are fit for the job can be selected. This point is further buttressed by Linda Jerris (1999) who notes that selection is the process of choosing from that pool of qualified persons, the person who can successfully perform the job. She further notes that in an industry where employee turnover rates can run as high as 100 percent, proper selection is critical to the success of

the industry. Selection therefore is one of the most important actions a line manager takes because an organisation cannot perform better than the people it hires.

According to Armstrong (2001) the overall aim of the recruitment and selection process is to obtain at a minimum cost the number and quality of employees required to satisfy the human resource needs of the organisation. Recruitment and selection is a very expensive process and as such there is the need for an effective recruitment and selection process that flows from a comprehensive manpower plan crafted from the corporate strategy. This however is not the case as Lockwood and Guerrier (1988) discovered in their survey that all the Hotels surveyed with the exception of one, gave their managers freedom to staff their hotels without any HRM policies flowing from the corporate level.

Croney (1988) also found out in his analysis of Human Resource Management in the UK hotel industry, that all the units pursued informal selection methods, with the appointment of staff delegated to the line manager. Croney (1988) again found out that preparation for the recruitment process in many cases was inadequate as job analysis was rarely carried out. As a result, job description and specifications were not written down, leaving the criteria for selection to the discretion of the interviewer. Meanwhile, for an effective recruitment and selection process, a job description and specification is very fundamental.

# Training and development

According to Jerris (1999:317), in the past when money was more freely spent and demand for hospitality service exceeded the supply, training of service employees did not get the attention it needed. Managers frequently settled for untrained and inexperienced employees and often promoted employees to management positions even before they were ready. However the downturn in business in recent times has resulted in hospitality organisations taking a long hard look at the way they did business and trained employees. Infact many businesses have realized that their competitive edge is quality service and competing on quality requires a staff capable of delivering consistent, enthusiastic service and responding to customers' needs. This level of service, she notes, does not just happen even if you recruit and select the best people in the world. Hospitable, service – oriented employees, she said, are made, not born and the key is training.

Training as defined by Armstrong (2001) is the formal and systematic modification of behaviour through learning which occurs as a result of education, instruction, development and planned experience. He notes that the fundamental aim of training is to help the organisation achieve its purpose by adding value to its key resource that is the people it employs. Training he said, means investing in people to enable them to perform better and to empower them to make the best use of their natural abilities. Its particular objectives are to develop the skills and competences of employees and to improve their performance.

Jerris goes on to emphasise that regular ongoing training for all employees requires a conscious commitment and concerted effort from both management and the human resources department in order to help the organisation achieve its business objectives. Thus training employees up and down the line helps organisations to retain the employees they worked so hard to recruit and help operations to be profitable. Training is a substantial organisational investment and, in order to get satisfactory returns, there is the need to link the training function and activities to the company's overall business activities and objectives – its mission and vision.

The training programmes at the Ritz-Carlton Hotel Company as reported by Jerris (1999) are a good example of linking training activities to business objectives. Having as its objectives 100 percent customer retention and 50 percent reduction in service delivering time the hotel provides its 14,000 employees with about 125 hours of training per year. Ritz-Carlton Hotel Company believes that such training was instrumental in reducing customer complaints from 25 percent to seven percent between 1991 and 1994 (Jerris, 1999:318 & 319).

The importance of training cannot be overemphasized as it helps raise staff morale, maximizes use of resources, reduces waste, lowers turnover, reduces complaints, raises standards of performance and improves customer satisfaction. This is however not the case in Ghana as the study of human resources in the hotel sector which focused on 3-star to budget hotels by Opoku revealed low educational levels of staff of the hotels surveyed. Management confirmed that recruitment and selection was not based on professional qualification as there

were not enough professionals or qualified personnel like house keeping officials to recruit (Opoku, 1999).

Opoku (1999) also found out that apart from learning on the job there were no proper training and development schemes in place for hotel staff. Among the reasons given by management and hotel owners for not putting in place training schemes are that training was unnecessary, and too costly because of the high degree of poaching in the industry as staff that have been trained would leave unceremoniously to top rated hotels. Others felt that the longer employees stayed on the job the more experienced they become thus there would be no need for training.

With regard to training and career development, Nankervis (2000) also observes that training and development activities have generally not been given a high priority in this sector. He notes that there is the need for hotels to add value to their employees' innate competencies for both productivity enhancement and maintenance purposes. He adds that training and development programmes can provide employees with performance incentives and their guest with higher quality service.

### Compensation and benefits

In this day and age where most economies have largely shifted from manufacturing to service activities with most new jobs being created in the service industry, not only are more employers looking for employees with good service skills to staff their operations but more people are also looking to the service sector to provide them with good working conditions, benefits and a living wage. Moreover, the competition among service industries for the same pool of unskilled and semi-skilled employees means developing compensation and benefit plans that are competitive and that will attract and retain the best qualified employees.

Compensation means more than just wages and salaries; it refers to establishing and maintaining pay and fringe benefit levels and revising whenever necessary. According to Jerris (1999), compensation may include incentives that relate labour cost to productivity or that rewards employees for doing a good job. She notes that compensation plans should be closely tied in to the benefit programmes so that the two complement and enhance one another. It is important to mention at this point that hospitality operations need to tackle the issue of compensation and benefits with all seriousness, and to develop compensation plans with care and thought since it is one area that can lead to low employee morale and demotivate employees in giving of their best. That is to say that issues of compensation and benefits to a very large extent borders on motivation. It is also important to note at this point that because motivation comes from within, it is difficult to find what will motivate employees. However, compensations and benefits or, stated differently, reward systems are areas that stand out clearly when it comes to what will motivate employees.

Jerris (1999) identifies low levels of pay and fringe benefits as the cause of high turnover and poor service in hospitality operations. An attractive pay and benefit package however enables management to attract employees and also to

retain them. Compensation and benefits issues, therefore, play a major role in the maintenance function. Thus in looking at the measures a hospitality industry should put in place to either retain or maintain staff; the focus should be on the compensation and benefit schemes in place to empower employees to give of their best and to remain in the industry for a long time.

Research by Nankervis has shown that the hospitality industry has a reputation of unattractive pay packages and, therefore, the compensation and benefit packages of the sector must be critically looked at if they are to attract and retain good employees. A high turnover is a drain on the organisation's resources; as a result the hospitality sector must step up its efforts at developing attractive compensation and benefits packages.

Other findings by Opoku (1999) reveal that most employees of the hotels surveyed were not willing to stay in the hotel industry for long. This is because of the poor working conditions prevailing in the sector which in turn affects performance. According to Wiley (1995) employees put in more effort in attaining organisational goals only when they are pleased with the rewards for productive work like good pay, career development and job security. Thus employees can naturally rectify inequity in industry by altering their efforts.

Nankervis (2000) also found out in his study of the hospitality sector in South East Asia and the Pacific Rim that in most Eastern Countries, with the exception of Singapore, salary levels of hotel employees have historically been amongst the lowest of all industries. He however noted that establishment of good

monetary and non- monetary rewards are likely to enhance both productivity and employee retention.

## The importance of human resources to the hotel industry

The importance of human resources to the hotel industry can not be overemphasized. The issue of human resource management has assumed a lot of importance in the hotel sector today probably due to the awareness that the hotel staff form part of the product and services being offered to guests and that the skills and attitudes of the employees in hotels directly affect the experiences of the guests.

It is the front office personnel who interface with guests by identifying their needs and satisfying them. They provide guests with the needed services, and guests rely mostly on them for the accurate description of the products which can not be examined before purchase. They also serve as the main source of information about the hotel to the guests.

From the literature it is quite clear that if the human resources are well equipped and motivated the hotel industry will be able to build long term relationships with its guests through the delivery of quality service. This will in turn encourage repeated patronage of the hotels and ensure the survival of the industry. In a nutshell, the human resources in the hotel industry are more or less the back bone of the industry as the service rendered by the staff is what the guests notice and take back home with them.

Thus a hotel may have it all, a strategic location, top of the range facilities etc, but if the quality of service offered is questionable the hotel may not be able to attain its objectives. This point is further buttressed by Walt Disney when he wrote that "You can dream, create, design and build the most wonderful place in the world... but it takes people to make the dream a reality" (Disney,1986 cf. Opoku, 1999).

## Theoretical and conceptual framework

There is no doubt that people are organisations' most important resource. Indeed, for a labour intensive sector such as the hospitality or service industry people and for that matter human resources are the pillars on which the success of the organisation stands. Thus the human resource manager who has the critical task of ensuring that the right people are brought into the organisation and equipped to offer quality service as well as retained to avoid the waste of resources involved in recruiting and training staff only to loose them.

One may not be far from right if one concludes that staffing, training and maintenance functions are probably the most important aspects of all the functions of human resource management. This is because getting these fundamental functions wrong could eventually affect the bottom line of the organisation and therefore accounts for the reason why this research is poised on focusing on these three main functions in the hospitality industry.

Even though the staffing function starts with a strategic human resource plan which flows from the organisation's mission and vision, the part that is obvious to all is usually the recruitment and selection; and even though recruitment precedes selection because there have to be a pool of qualified applicants to select or choose from, selection could be considered to be the most crucial part as getting the wrong people can make or mar the organisation. As such concepts and theories of selection rather than recruitment will be used to provide a framework for the study and since the training development and maintenance functions are fundamental to service quality, concepts and theories of training /learning and that of motivation with emphasis on incentives, compensation and benefits as a motivator will be used to provide a framework for this research.

#### Selection

For centuries philosophers speculated about the nature of man. One particular area of interest has been the observation of human behaviour and of the external conditions or stimuli under which the behaviours occur. These early philosophers include Socrates and Plato. Plato's work, which clearly recognized the different abilities of people and saw the need for accurate assignment of individuals to particular occupations (soldiers, teachers, statesmen etc) for which they were best suited so that they would make maximum contributions to society, can be described as the genesis of selection process.

In modern times, social scientists have confirmed that people differ greatly. They differ in a myriad of less easily discerned qualities such as intelligence, abilities, skills, motivation and temperament. The differing patterns of human behaviour are evident in the world of work, where the efforts of people have been recognized and directed towards production of varieties of goods and services, demanded and consumed by the society (Dunnette, 1996).

As an extension of work in measuring human differences Alfred, a French psychologist in 1905 developed the metrical scale of intelligence. The scale consisting of thirty tasks ranging from very simple to the rather difficult was used in schools in Paris. Further research on Binet's discovery was undertaken by Lewis Terman of Stanford University, USA. Terman chose to express scores on the test as an Intelligence Quotient (IQ), the ratio (multiplied by 100) between an individual's "mental age" (calculated from the tasks he successfully completed) and his chronological age. With this test, the measurement of individual differences came of age; and from this base important aspects of human variation had been studied and measures successfully developed.

Other researchers like Taylor (1947) and Fayol (1949) have provided further insights into the need for an organisation to carefully select the people to fill positions they are best suited for, so as to reduce the cost of selection. Taylor in his theory of scientific measurement postulates the need to carefully select people and train them in scientific production method. Taylor stresses the need for selection to be scientifically based.

Selection in every organisation is based on merit and this traces its root to the days of the classical school of management. Taylor also, stated the process of scientific management to include, among others, carefully selecting workers who possess the skills and abilities that match the needs of the task and training them to perform the task according to the established rules and procedures. Fayol (1949), also a key figure in the turn-of-the century of classical school of management stated the principles of management to include among others, specialization of labour and personnel tenure.

As stated earlier the selection process is usually preceded by recruitment. Recruitment seeks to generate a pool of suitable applicants and persuade them to apply for employment in an organisation. Selection which follows from recruitment is the process by which managers and others use specific instruments to choose from the pool of applicants the person or persons most likely to succeed in the job considering management goals and legislative requirements. There are two main issues to be considered in choosing any selection technique. These are reliability and validity. While reliability refers to the extent to which a selection technique achieves consistency in what it is measuring over repeated use, validity refers to the extent to which a selection technique actually measures what it sets to measure.

It has been noted that no matter the selection method adopted, there is the need for careful planning and preparation. There is no magic in good staffing and no such thing as infallible judge of people thus if a person is put on a job and he or she does not perform, then the mistake of whoever made the selection and therefore has no business blaming the employee (Drucker, 1954). Drucker suggested five basic principles for matching jobs to people; namely

- Thinking through the job requirement;
- Looking at the number of potentially qualified people;

- Thinking hard about how to look at these candidates;
- Discussing each of the candidates with several people;
- Making sure the appointee understands the job;

In selecting staff there is the need for management to ensure that the selected person or persons have the right mix of qualities, attitudes as well as competencies required for the job.

This will guarantee the prediction that they are more likely to succeed on the job and consequently have a longer tenure with the organisation. In order to make the right decisions, the Human Resource Manager would need to apply some of the psychological concepts and techniques, which have been adapted for use in the field. Management will have to combine a range of sophisticated selection techniques depending on the nature and person specification of the vacancy to be filled. These include bio-data interviews selection boards, assessment centres, selection test and graphology (Dunnette, 1996).

Bio-data are normally contained in the applicant's resume and includes such information as the applicant's personal data, educational background and work experience. Selection tests on the other hand are used to provide more valid and reliable information personality traits such as abilities, aptitudes and attainment that can be obtained from an interview. A good test is one that provides valid data that enable predictions of behaviour and therefore assist in the process of making objective and reassured decisions. A selection test is usually followed by an interview.

One of the most enduring concepts in personnel selection is the employment/selection interview. In this situation there is personal contact between the potential/prospective employee and the employer to determine the candidate's suitability or otherwise for the job. HRM experts agree that the purpose of interview is to obtain and assess information about a candidate, which will enable a valid prediction to be made of his/her future performance on the job in comparison with other candidates. The interview can take three forms.

- A face-to-face interview;
- A panel of two or more persons assessing the candidate at the same time; or
- The use of a selection board (Dunnette, 1996).

In practice, employment interview is one of the most widely used tools in the selection process. The use of group exercises usually forms the central element of assessment centre selection. The centre provides an in-depth assessment of a group of broadly similar candidates and aims to gauge the attributes and competencies required for a particular type of job. The group exercises are used in conjunction with simulation exercises. Also tests and interviews can be used alongside to provide a clear understanding of the competencies, skills abilities and special qualities of each candidate. Assessment centres function on the principle that no individual method of selection is particularly standard, no individual assessor is infallible. The use of multiple methods and several assessors in structured programmes attempt to minimize the inadequacies of each method and cancel out the prejudices of individual selectors.

It should be noted that, this method is used to select management and executive staff and it is expensive (Dunnette, 1996).

Much of the research findings and discoveries in the areas of human differences, intelligence, personality, selection tests, etc. have indeed provided the framework upon which selections have been established. In particular, the use of various psychological tests as part of the selection process has made it possible for employers, and HRM practitioners for that matter, to predict, with a high degree of accuracy, the suitability and future job behaviour of a potential employee in a position for which he/she had been selected (Dunnette, 1996).

# Training and development

Learning is a major activity within society as a whole, not just organisations, and employees need to learn how to do the jobs they are employed to do within organisations as well as learn many new skills over the course of their working life. Within the organisational setting learning most frequently finds expression in the form of training and development (Martin, 2001:354).

Armstrong (2001) supports this assertion when he notes that to understand how training should be developed and operated within an organisation, there is the need to first appreciate learning theory as training is the modification of behaviour which occurs through learning. He notes that training implies investing in people to enable them to perform better and to empower them to make the best use of their natural abilities. Amongst the objectives of training outlined by Armstrong are, to develop the skills and competencies of employees and improve

their performance, help people to grow within the organisation so that the organisation's future human resource needs can be met from within, and to equip employees with the requisite skills needed to provide higher levels of service to customers.

Armstrong emphasizes the need to appreciate the training philosophy of an organisation as it expresses the degree of importance the organisation attaches to training. He observes that some firms adopt a laissez-faire approach, believing that employees will find out what to do by themselves and if the firm suffers a skill shortage, they could remedy it by recruiting from firms which do invest in training. Others pay lip service to training and indiscriminately allocate money to training in good times, only for the training budget to be the first to be cut down when crisis arise.

Armstrong further notes that organisations with positive training philosophies understand that they live in a world where competitive advantage is achieved by having higher quality people than other firms, and this cannot be achieved unless organisations invest in developing the skills and competencies of their people. Organisations recognize that lack of skills can affect their bottom line objectives and even though training might be expensive they believe that the intangible and tangible benefits of training will more than justify the cost involved in training. The author concludes that, it is not enough to believe in training as an act of faith, rather this belief must be supported by positive and realistic philosophy of how training contributes to the achievement of objectives. The opportunities for personal and professional development are important weapons in

managements attempt to attract and retain good staff as well as the means of enhancing organisational performance (Martin, 2001:354). The study of how people learn has fascinated mankind from the ancient Greeks to the present (Cole, 2002). As such there are many different theories of how people learn considering the fact that everybody does not learn in the same way.

Burns (1995:99) conceives of learning as a relatively permanent change in behaviour, including both observable activity and internal processes such as thinking, attitudes and emotions. Burns considers that learning might not manifest itself in observable behaviour until sometime after the training program has taken place. The traditional sensory stimulation theory postulates that learning occurs when the senses are stimulated (Laird, 1985). Laird refers to research that found that majority of knowledge, about 75%, held by adults is learned through seeing, 13% is learned through hearing and 12% accounts for knowledge acquired through the other senses. Through the stimulation of senses, particularly the visual senses, greater learning takes place and this can be done through the visual presentation of facts and the use of a variety of techniques and media.

Burns (1995) propounder of the reinforcement theory was of the view that behaviour is a function of its consequences and as such the learner will repeat the desired behaviour if positive reinforcement that is pleasant follows the behaviour. Positive reinforcement or rewards can include verbal reinforcement such as praise through to more tangible rewards such as certificate at the end of a course, or promotion to a higher level of responsibility in an organisation. Burns notes that much competency-based training is grounded on this theory and that this theory

has developed the concept that individuals have needs and concerns at different times and that they have subjective interpretations in different contexts.

Laird (1985) who propounded the facilitation theory otherwise known as the humanist approach postulated that learning will occur by the trainer acting as a facilitator, that is by establishing an atmosphere in which learners feel comfortable to consider new ideas and not threatened by external factors (Laird, 1985) Some characteristics of this theory include: a belief that human beings have a natural eagerness to learn; the most significant learning involves charging one's concept of oneself. Also facilitative trainers are more able to listen to learners, especially to their feelings and are inclined to pay as much attention to their relationship with learners as to the content of the course, learners are encouraged to take responsibility of their own learning and provide much of input of learning which occurs through their insight and experiences.

Training and learning activities can be designed and implemented to take principles of learning theories into account. Also it is important to take into consideration individual differences among learners and to work towards including activities that have variety and interest for all learners in training programmes.

### Compensation and benefits

A number of reasons can be cited to explain why people work. Some people work because they love their jobs; others do so for personal fulfilment. While others like to accomplish goals and feel as if they are contributing to

something important. Again some have a personal mission to accomplish through meaningful work while others enjoy the interactions with customers and coworkers. For others it is the desire to fill their time with activities. Whatever one's personal reasons are for working, the bottom line is that almost everyone works for money. It may be in the form of compensation, salary, bonuses, benefits or remuneration, money pays and fulfils man's basic needs. It provides shelter, food, clothing, leisure etc. Thus to underrate the importance of money and benefits to people who work is a mistake (Online, June 2006, www.research-assitance.com).

Fair benefits and pay is the cornerstone of a successful company that recruits and retains committed workers. If an organisation provides a living wage for its employees, only then can it work on other motivational issues. However, without a fair, living wage, an organisation risks losing its best employees to a better paying employer. It has been recommended that to attract the best employees, an organisation needs to pay more than its competitors in the industry (Online, June 2006, www.research-assitance.com).

Armstrong (2001) also notes that the basic requirements for job satisfaction may include higher pay, an equitable payment system, opportunities for promotion, considerate and participative management, social interaction at work, interesting and varied task, some degree of autonomy, control over work space and work methods. This is so because motivation can be intrinsic or extrinsic but by and large motivation comes from within and since human nature is complex, what motivates one differs from another.

However money in the form of pay or remuneration, according to Armstrong (2001) is the most obvious extrinsic reward. Money might not motivate everybody in the same way but nevertheless it provides the means to meet other needs. It satisfies the need for survival and security as well as the need for self esteem and status, in that it can set a person in a grade apart from his/her peers and build up one's prestige. As noted by Goldthorpe et al (1968) cf. Armstrong (2001:168) from their research, pay is the dominant factor in the choice of employer and considerations of pay seem most powerful in the binding people to their present jobs. Answering whether financial incentives motivate people, Armstrong agrees but he also observes that if not properly designed and managed it might demotivate.

The instrumentality theory lends support to the above assertion. Instrumentality is the belief that if we do one thing it will lead to another. In its crudest form, instrumentality theory states that people only work for money (Armstrong 2001:158). Theory assumes that people will be motivated to work if rewards are tied to performance. The instrumentality theory which emerged in the nineteenth century and has its root in taylorism asserts that it is impossible to get people to put in more than average effort unless they are assured of a large and permanent increase in their pay. Armstrong observes that motivation using this approach has been and is still widely adopted.

Another theory which lends support to the idea that financial incentives motivate employees to higher performance is the expectancy theory. This theory which was propounded by Porter and Lawler (1968) suggests that there are two

factors that determine the effort people put into their jobs. The first is the value of rewards received so long as it satisfies their need for security, social esteem, autonomy, self actualization etc; and the second is the probability that rewards depends on efforts. Thus the greater the value of rewards and the higher the probability that receiving those rewards depends upon effort, the greater the effort that will be put forth in a given situation.

Whilst it is true that money or financial incentives in the form of compensation and benefits may not be sufficient motivating factor and that other conditions such as the working environment, good employees and management relations etc all add up to motivate employees to higher performance, there is no doubt that these other motivational needs come in after employees are satisfied with the financial incentives available and management on the other hand can deal with other motivational issues only after they have dealt with the issue of financial incentives.

For the concept of the study, the diagram below (Figure 1) will be followed. The purpose of the strategic human resource management process is to get the optimum work performance that would lead to the realization of the organisations mission and vision. Thus, for hospitality industries to offer quality service there is the need to plan for the human resources needed, get the right people, equip them to perform better and induce employees to be more productive as well as retain them through attractive compensation and benefit packages.

## **Conceptual framework**

The strategic human resource management process is a framework developed by Kinicki and Williams (2003). According the model in every organisation there is a need to plan the human resources needed or formulate manpower plan. Organisations are under increasing pressure to improve productivity, while simultaneously reducing costs and for that matter the decision to formulate proper and appropriate manpower plan is vital to the goals and objectives of the industry.

Due to the competitive nature of the tourism industry and most organisations in recent time, there is a need to recruit and select personnel of the highest professional skills and the prerequisite knowledge. Good managers are the key to a more competitive economy and higher performing enterprises. Ascertaining the factors that determine managers' performance has the potential to assist in initiatives to improve competitiveness in the hospitality industry. Managers are pivotal to an organisation's productivity and effectiveness, since they have ultimate responsibility for maximising the resources available for organisations to create value. The resource-based view of the firm recognised the value added by human capital. Regardless of the industry or country concerned, managers represent the human capital that is critical to an organisation's success. Any decline in managers' performance inevitably results in revenue foregone; opportunities lost, and increased costs. In turn, this outcome is likely to hamper the capacity of organisations, and ultimately national economies, to create wealth

The next important step of the framework is what they called the orient, train and develop and this entails developing the capacities of the staff I the organisation for them to be effective and deliver the desirable skills and prowess. The personnel should be trained and retrain to equip them with new innovations and techniques as well a orientation to improve and understand the way of doing things in that particular setting.

By the model after given the personnel the training and development the next step is to motivate them through attractive compensation and benefit packages and these may includes the following form of compensation, salary, bonuses, benefits or remuneration, money pays and fulfils man's basic needs. It provides shelter, food, clothing, leisure. The frameworks suggest that the personnel can even be given a travel package to go outside the country of origin to have a training or seminar.

Finally, the framework postulate that after the manager and the personnel is given all the above the last vital conditions is that the organisation will get optimum work performance or deliver quality service to help realize company's mission. It is a common knowledge that when the human capacity is built, he/she stands a grater chance of giving the optimum performance. The weakness of this framework is that it did not consider other external factors such as family commitment, education (entry), and socio-cultural structure. Though the framework has its weaknesses, it was the preferred choice because it contained most of the variable that the present research was considering. Secondly, it was

well focused and made it easy to comprehend the various objectives of the study to be realized and achieved.

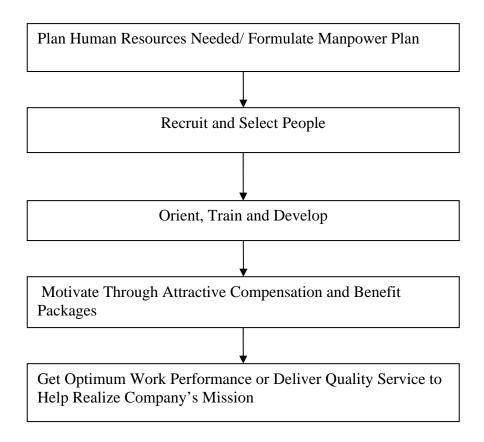


Figure 1: Conceptual framework

Source: Adapted from Kinicki & Williams, 2003

### **CHAPTER THREE**

#### **METHODOLOGY**

### Introduction

This chapter describes the methods used in the collection of data. Diverse approaches and methods were employed to select the respondents to participate in the study. Issues covered were the study area, the study design, sampling techniques employed, the research instrument used, data processing and analysis. Others included the challenges faced and the lessons learnt during the data collection.

#### Sources of data

Data for the research were obtained from two main sources to enable the study arrive at a valid and objective conclusion. These are primary and secondary sources. The primary data were obtained through questionnaire and interviews whereas the secondary data were obtained from already existing literature.

### The population and the sampling procedure

The population for the study were the staff of the high rated hotels located in Accra. However, all five human resource managers and 30 guests of the respective hotels were interviewed to elicit their responses on the human resource

management strategies and service quality respectively. The human resource managers were interviewed in order to cross check their responses with that of the employees whereas guests were interviewed to assess the quality of service provided vis-à-vis the calibre of human resources available.

The method employed to select respondents for the study was the purposive sampling technique. As already indicated above, the only 5-star in Accra and four other 4-star Hotels were purposively selected for the study. The reason for purposively selecting these two categories of hotel was that, being the highest rated hotels in the country, the study was interested in finding out if they had the right calibre of staff to deliver the kind of service that is commensurate with their ratings. The focus was to find out from the high rated hotels the kind of human resource strategies they are employing in their services.

Purposive sampling technique was also employed to select respondents. Mostly personnel who interface with guests were selected to respond to the questionnaire. This was because guests relied mainly on them in obtaining the information they needed about the hotel. Thus, they served as the main source of information about the hotel to the guests and in that capacity it was useful to find out how they were selected, trained and motivated to provide quality service. In other words since they were the first point of contact when guest visit the hotels, the study was interested in finding out the strategic measures taken to ensure that they offer the kind of service that leave guests with good impressions. While purposive sampling technique was used in selecting the human resource managers

of the various hotels, accidental sampling technique was used in selecting the customers.

Due to time and budgetary constraints 65 employee respondents from all the five hotels were sampled and questionnaire administered to them alongside five managers and 30 guests who were interviewed. In all a total of a hundred respondents were surveyed. Also due to the flexible work system practised in the hotels, only available respondents who interfaced with guests were surveyed.

#### Method of data collection

In all questionnaires were administered to 65 employee respondents, while five human resource managers and 30 customers were interviewed. The staff questionnaire was made up of 24 items most of which were open-ended in type. This was to enable the respondents come out with well thought-out responses. Issues that were dealt with in the questionnaire included recruitment, selection, training, incentives and other human resource management strategies.

The in-depth interview which was directed to the human resource managers and the guests was organised using an interview guide. Among the issues dealt with in the structured interview were the human resource management practices of the selected hotels and guests rating of the service offered.

# **Data analysis**

Data gathered from the administration of the questionnaire were carefully screened and edited. Data collected were then grouped, coded and analyzed using the Statistical Product and Service Solutions (SPSS) version 12. Data were grouped into similar variables under each question and produced in tabular form for analysis and discussion.

#### **Fieldwork**

All the questionnaires were administered personally by the researcher. Respondents were assured of anonymity and confidentiality. Respondents filled out the questionnaires themselves though in some cases certain questions were explained for respondents to understand what was required of them. Due to the fact that some employees were very busy at the time of visit, the researcher in some cases had to do the writing while they provided the responses

#### **Problems from fieldwork**

Staff members were so busy they hardly found time. A lot of time had to be spent with each respondent. Secondly, some difficulty was encountered in retrieving the entire questionnaire.

Some employees just refused to be part of the study. Fearing they may be victimized for giving some forms of information in spite of assurances of anonymity and confidentiality. Generally there was apathy on the part of staff with regard to the filling of the questionnaire.

In certain cases getting the human resource managers to seek permission in order to administer the questionnaires proved difficult as they claimed to be busy and did not have time. However after several visits and persuasion the researcher was able to administer and retrieve 65 questionnaires from staff, and succeeded in interviewing all five human resource managers as well as 30 guests making a total of 100 respondents.

## **CHAPTER FOUR**

## **RESULTS AND DISCUSSION**

### Introduction

This chapter presents an exposition of the human resource practices of the selected hotels in the Accra metropolis. It also presents the socio-demographic characteristics of respondents as well as the views on what constitute proper management views.

# Respondents' distribution among hotels and departments

Information about age and sex was not included in the questionnaire as they would not serve any special purpose. About the grade of hotel where respondents work the following information was obtained.

**Table 2: Grade of hotel** 

Hotel grade	Frequency	Percent
5 star hotel	16	24.6
4 star hotel	49	75.4
Total	65	100.0

Source: Field work, 2006

From the table 16 (24.6%) of the respondents work in 5-star hotel and 49 (75.4%) were staff of 4-star hotels. This could be attributed to the fact that there are four 4-star hotels in the country and only one 5-star hotel. Ownership of these hotels as gathered from response of management's ranged from foreign to local as well as joint partnership. The type of ownership as gathered from the research has a lot to do with the stringent application of human resource management strategies in the hotels.

**Table 3: Department of respondents** 

Department	Frequency	Percent
Front office	25	38.5
Food and beverage	16	24.6
Fitness centre	1	1.5
Boutique	4	6.2
Business centre	2	3.0
Reservations	10	15.4
Casino	7	10.8
Total	65	100.0

Source: Field work, 2006

Item two of the questionnaire (Appendix 1) sought to find out the departments in which the respondents work even though the research aimed at surveying personnel who directly interfaced with guest. The results are presented in the frequency distribution in Table 3. It can be seen from the table that 25 (38.5%) of the respondents were front office personnel; 16 (24.6%) were from the food and beverage department; 2 respondents representing 3.0% were from the business centre; 4 respondents representing 6.2% were from the boutique; 10

(15.4%) respondents were from reservations and 7 respondents representing 10.8% were from the casino.

# **Human resource management practices in the hotels**

The research sought to find out how the respondents were recruited, selected, trained, and compensated. Nineteen of the respondents said (29.2%) said they heard about the vacancy through friends, 12 (18.5%) heard about the vacancy through close associates who had contacts with the hotel, 11 (16.9%) walked-in and dropped applications, 8 (12.3%) were recruited through internships and referrals and 7 (10.8%) each were recruited through relatives who work in the hotel and through advertisement in the press.

**Table 4: Recruitment methods** 

Methods	Frequency	Percent
Friends	19	29.2
Relatives who work in the hotel	7	10.8
Close associates who has contact with hotel	12	18.5
management		
Advertisement in press	7	10.8
Walked in and dropped application	11	16.9
Through internships and referrals	8	12.3
No response	1	1.5
Total	65	100.0

Source: Field work, 2006

These figures were confirmed in an interview with the human resource managers who indicated that they use internal advertisements, advertisement in

the media and recruitment consultants to attract potential staff. They also indicated that recruitment was preceded by the formulation of a manpower plan and a job analysis from which flows the job description and specification used as a guideline for recruitment. Two out of the three human resource managers disclosed that they had recruited few relatives of staff whose qualifications ranged from professional to degree levels to work in various capacities. These findings were made in hotels with 50% and 100% local ownership.

**Table 5: Selection methods** 

Methods	Frequency	Percent
Selection interview and test	22	33.8
Assessment centre	10	15.5
Selection interview	29	44.6
None	1	1.5
No response	3	4.6
Total	65	100.0

Source: Field work, 2006

One significant finding made by this study was that no matter how potential employees were recruited, whether through friends or close associates who had contact with the hotel, virtually all of them went through one or more processes of selection and management confirmed that selection was based on qualification and competence. As indicated in table 4 above, 29 (44.6%) went through selection interview, 22 (33.8%) went through selection interview plus

written test, whilst 10 (15.5%) were selected through the use of assessment centres. One (1.5%) respondent did not go through any of the above selection processes and 3 (4.6%) did not respond to the question.

**Table 6: Orientation or induction** 

Response	Frequency	Percent
Yes	53	81.6
No	11	16.9
No response	1	1.5
Total	65	100.0

Source: Field work, 2006

When respondents were asked whether they attended any orientation or induction programmes to formally introduce them to the organisation, 53 representing (81.6%) responded in the affirmative while 11 (16.9%) said "No" with only one (1.5%) not responding. This shows that the top rated hotels value orientation as part of human resource management practices in the hotel industry. The main purpose of orientation procedures is to introduce new employees to the workplace and reduce the likelihood of new employees leaving because they can not settle in. But more importantly effective orientation and training in the knowledge and skills needed to do the job is responsible for creating the confidence required for competent and satisfactory job (Opoku 1999).

**Table 7: Training attendance** 

Response	Frequency	Percent
Yes	47	72.3
No	17	26.2
No Response	1	1.5
Total	65	100.0

Source: Field work, 2006

When asked if they had attended any training programmes since employed 47 (72.3%) answered "Yes", 17 (26.2%) answered "No" and only 1(1.5 %) did not respond to the question. This is also a strong indication of the value the top rated hotels place on equipping staff with relevant skills. These figures are represented in the table 7 above.

**Table 8: Training programmes** 

Programmes	Frequency	Percent
On the job and in-house training	46	70.8
Off- the job training	1	1.5
No response	18	27.7
Total	65	100.0

Source: Field work, 2006

Questions which sought to find out the extent to which training policies are applied and the training programmes in place to equip staff to deliver service in the selected hotels were posed and the responses were as follows, 47 (72.3%)

respondents indicated that they had attended several on-the-job and in-house training. However only one (1.5%) respondent had attended training off-the-job and 17 (26.2%) did not respond to the question (Table 8).

Once again the human resource managers in an interview confirmed the importance of regular training to enhance the skills and attitudes of staff. Thus they placed value on training staff. Even though training is mainly provided inhouse as confirmed by the data, the hotels also tend to bring professionals and consultants from outside to conduct it. In response to the question which sought to find out whether the training programmes attended by respondents was of any relevance to their jobs, all the 46 (70.8%) respondents who had attended various and several training programmes answered in the affirmative.

The issue of training is very important because the success of every business depends on the competence of its human resources and it has been found that people perform better when they have confidence in their own performance of their job. There is no doubt that effective training improves employee competence and enables employees to perform better in their bid to satisfy customer needs Opoku (1999). Its worth noting that it takes only a well trained front office personnel to identify customer needs and satisfy them, skilfully handle customer complaints and treat customers in a way that will make them to visit the hotel again. The benefits of effective training are numerous and include customer satisfaction, reduced damage, and reduced turnover among others Opoku (1999).

**Table 9: Reasons for not attending training** 

Reasons	Frequency	Percent
Management has not provided any training	4	6.2
Training programmes are organized when off-duty	3	4.6
Not yet my turn	6	9.2
No response	52	80.0
Total	65	100.0

Source: Field work, 2006

When asked why some respondents had never attended any training programme since they were employed, 4 (6.2%) said management had not provided any training, 3 (4.6%) said training programmes were usually organized during their off-duty days and 6 (9.2%) respondents said it was not yet their turn. An interesting observation made by this studies was that the 4 (6.2%) and 6 (9.2%) respondents who said management had not organized any training and that it was not yet their turn all came from a hotel that was fully (100%) owned by a Ghanaian.

## Calibre of human resources and turnover rates

According to the data on the level of education of respondents, Table 9 indicates that 27 (41.7%) and 22 (33.8%) of respondents had secondary and tertiary (non-university) or professional levels of education. Six (9.2%) were degree and diploma holders. Vocational/technical qualifications had 2 (3.1%) respondents, while only one person (1.5%) happened to be a middle school leaver.

**Table 10: Qualification of respondents** 

Qualification	Frequency	Percent
Middle School Leaving Certificate	1	1.5
Secondary O/A Level/SSSCE	27	41.7
Tertiary/Professional	22	33.8
University Degree	6	9.2
Diploma	6	9.2
Vocational/Technical	2	3.1
No Response	1	1.5
Total	65	100.0

Source: Field work, 2006

It can be seen from the data gathered that secondary and tertiary/professional level holders constitute the bulk of human resources in the top rated hotels. This marks a significant shift from what pertains in the lower rated hotels as revealed by Opoku (1999) in her study that looked at the lower rated hotels in the Accra and Tema Metropolis. Thus from the data obtained, the calibre of human resources in the selected hotels can be said to be of good quality thereby lending support to the claim by management that selection is done on the basis of qualification and competence.

Table 11: Number of years worked in the hotel

Number of Years	Frequency	Percent
Less than a year	9	13.8
One to two years	24	36.9
Three to five years	12	18.5
Six to ten years	17	26.2
Eleven to fifteen years	1	1.5
Sixteen years and above	2	3.1
Total	65	100.0

Source: Fieldwork, 2006

Item 5 on the questionnaire (Appendix 1) sought to assess the turnover rate of employees in the top rated hotels by finding out the number of years they had continuously worked in their respective hotels. The data obtained indicates that a significant number of respondents 24 (36.9%) had worked in the hotel continuously for two years; 17 (26.2%) had worked between a period of six and ten years; 12 (18.5%) between three and five years and 9 (13.8%) had worked for less than a year. One representing (1.5%) had worked between eleven and fifteen years and 2 (3.1%) had worked for more than sixteen years. From all indications turnover rates can be said to be fairly low judging by the number of years respondents had continuously worked in their respective hotels and this assertion was also confirmed by management.

**Table 12: Previous hotel experience** 

Response	Frequency	Percent
Yes	26	40.0
No	39	60.0
Total	65	100.0

Source: Field work, 2006

The research also attempted to find out whether respondents had had any previous hotel working experience and to find out why they left. Here the majority of respondents, constituting 39 (60.0%) had had no previous hotel experience whilst 26 (40.0%) responded in the affirmative. Their answers point to the fact they tended to leave the lower rated hotels to the top rated hotels for various reasons. Similar findings were made by Opoku (1999) as only 16 (32%) of respondents had previous hotel experience with the majority of 30 (60%) having had no previous experience.

When further questions were posed for explanations why respondents left their previous hotels to the present ones, the various responses were provided; 9 (13.8%) responded that they left because of poor salary and incentives; 5 (7.7%) said they left for better opportunities; 4 (6.2%) left because their internship or training was over; 3 (4.6%) left because their hotels were closed down or divested and 3 (4.6%) left for further studies; 2 (3.1%) for personal reasons and I (1.5%) left to travel abroad. There were 38 (58.5%) non-responses either because the question did not apply to them or they just did not answer the question. In other words, they had no previous hotel experience and some just did not provide

responses to the question even though they had previous hotel experience. Lack of experienced people in the sector may mean more investment in training and does not augur well for our national pursuit of promoting tourism.

**Table 13: Reasons for leaving previous hotel** 

Reasons	Frequency	Percent
For better opportunities	5	7.7
For further studies	3	4.6
To travel abroad	1	1.5
Personal reasons	2	3.1
Poor salary and incentives	9	13.8
Hotel closed down	3	4.6
Training ended	4	6.2
No response	38	58.5
Total	65	100.0

Source: Field work, 2006

Opoku (1999) also found out that the majority of respondents 11 (42.2%) left because of poor salaries and incentives. This situation was also reported by Nankervis (2000) in his study of the hospitality industry in South East Asia as he noted that salary levels of hotel employees were historically low.

**Table 14: Intention to stay in the hotel industry** 

Response	Frequency	Percent
Yes	14	21.5
No	42	64.6
Not sure	9	13.9
Total	65	100.0

Source: Field work, 2006

When a question was further posed to find out whether employees would wish to work in the hotel sector for the greater part of their lives or till retirement, 14 (21.5%) answered in the affirmative whereas 42 (64.6%) said "No" and 9 (13.9%) said they were either not sure or had not given it a thought. (Table 14)

Table 15: Reasons for not wanting to stay in the hotel industry

Reason	Frequency	Percent
To further education	11	16.9
To seek better opportunities	11	16.9
To start a business	10	15.4
Personal reasons	7	10.8
No response	26	40.0
Total	65	100.0

Source: Field work, 2006

Various reasons were advanced by respondents for not wanting to work in the hotel industry for the greater part of their lives, 11 (16.9%) of them would like to further their education. An equal number had intentions to seek better opportunities elsewhere. As one respondent put it "I believe there are better opportunities out there for me". 10 (15.4%) of the respondents expressed the desire to start up their own business and 7 (10.8%) would like to leave the hotel sector for personal reasons.

Considerable number of the employees who intend to leave the industry is an indication that workers have not developed a career in the hotel industry and that may account for the reason why they perceive working in a hotel as temporary. Such perception does not encourage employees to give of their best. According to Wiley (1995) employees put in more effort in attaining organisational goals only when they are pleased with the consequences of work such as career development among others. This implies that when employees are not career oriented the put in less effort in the attainment of organisational goals.

Table 16: Reasons for wanting to stay in the hotel industry

Reasons	Frequency	Percent
Love working in hotels	9	13.8
Opportunity to advance	2	3.1
Opportunity to meet prominent people	2	3.1
Difficulty in getting jobs	1	1.5
No response	51	78.5
Total	65	100.0

Source: Field work, 2006

As can be seen in the table above, respondents who expressed the desire to work in the hotel industry for a grater part of their lives gave various reasons for their intention. Nine (13.8%) of them said they just enjoy working in a hotel environment while 2 (3.1%) respondents each said the hotel industry affords the opportunity to advance and to meet prominent people. One (1.5%) respondent expressed the intention to stay and work in the hotel because employment in general and in particular in the top rated hotels is not easy to come by. Fifty one, respondents representing 78.5% did not respond to this question because the question did not apply to them, in other words they had no intentions of working in the hotel sector for a greater part of their lives or they actually did not respond to the question. The number of respondents who intended to leave the industry does not augur well for the country's tourism promotion drive because of the skills they have acquired and their knowledge based. It further gives an indication of the turnover rate in the hotel sector, in that turnover rates in the short term may be fairly low, however, in the long term turnover is quite high. This to a very large extent might be attributed to the not too good conditions of service in the hotel sector.

#### Workers perception of conditions of service

With regard to level of staff's satisfaction with the conditions of service in their present jobs, the following statistics were obtained. It can be seen from Table 16 below that working condition in the top rated hotels though not entirely the preferable. This was confirmed by the human resource managers in the

interview when they made mention of various incentives and welfare packages in place for workers as a result 33 (50.8%) were satisfied with working conditions; with 12 (18.5%) being very satisfied; 19 (29.2%) being dissatisfied and 1 (1.5%) very dissatisfied. From all indications management of top rated hotels do not take their staff welfare function for granted.

**Table 17: Respondents level of satisfaction** 

Level of satisfaction	Frequency	Percent
Very satisfied	12	18.5
Satisfied	33	50.8
Dissatisfied	19	29.2
Very dissatisfied	1	1.5
Total	65	100.0

Source: Field work, 2006

**Table 18: Reasons for satisfaction** 

Reasons	Frequency	Percent
Good salary and incentives	35	53.9
Good management	3	4.6
Conducive working environment	3	4.6
Love working in a hotel	2	3.1
No response	22	33.8
Total	65	100.0

Source: Field work, 2006

Among the reasons given for being satisfied with the job were; good salary and incentives 35 (53.9%); 3 (4.6%) persons each said they were satisfied because of good management and the conducive working environment in the hotel industry whereas 2 (3.1%) said they just enjoyed working in the hotel sector.

**Table 19: Reasons for dissatisfaction** 

Reasons	Frequency	Percent
Lack of motivation	2	3.1
Poor management and staff relations	15	23.1
No promotion	6	9.2
No response	42	64.6
Total	65	100.0

Source: Field work, 2006

From table 18 it emerged that, workers were dissatisfied with the conditions of service in their present hotels for various reasons but the most common among them being the issue of poor management and staff relations 15 (23.1%). Six others (9.2%) were dissatisfied because the opportunities for promotion in the hotel sector were minimal. Other reasons included poor motivation two (3.1%). These issues are issues that actually pertain to the industry as Opoku (1999) made similar observations.

## Employees' awareness of human resource management strategies

When asked which areas in human resources management employees thought should be improved in order to assess their level of knowledge on HRM issues, 17 (26.2%) asked for improvements in management and staff relations; 18 (27.7%) and asked for improvements in working conditions. Seven (10.8%) respondents each requested for more recreational activities for staff and improvement in training respectively. 4(6.2%) respondents said the work pressure on them was too much and therefore desired for more qualified staff to be recruited, 9 (13.8%) said everything was working well and requires no improvement in any area and 1 (1.5%) requested for flexible policies. This is represented in Table 20 below.

Table 20: Areas in Human Resource Management to be improved

Areas	Frequency	Percent
Management and staff relations	17	26.2
Working conditions	18	27.7
Humane approach to discipline	2	3.1
More recreational activities	7	10.8
Flexible policies	1	1.5
Training	7	10.8
Increased qualified personnel	4	6.1
None	9	13.8
Total	65	100.0

Source: Field work, 2006

Respondents were again asked to assess the human resource management practices in the hotels and the responses were as follows; 9 (13.8%) said it was

very good; 16 (24.6%) said it was good; 15 (23.1%) said it was satisfactory; 11 (16.9%) said there is the need for improvements; 5 (7.7%) said very poor or non-existent and 9 (13.8%) said they "do not know" clearly indicating their non-awareness of the existence and application of human resource management practices in the hotel (Table 21).

**Table 21: General assessment of Human Resource Management practices** 

Assessment	Frequency	Percent
Very Good	9	13.9
Good	16	24.6
Satisfactory	15	23.1
Needs to be improved	11	16.9
Do not know	9	13.8
Very Poor/Non-existence	5	7.7
Total	65	100.0

Source: Field work, 2006

Finally, thirty customers were also interviewed to assess the quality of service offered by the personnel of these hotels. Of the thirty respondents twenty five commended the hotels and staff for the quality service rendered and indicated their willingness and preparedness to patronize the respective hotels again. However five respondents rated the service offered as average yet when asked if they would visit the particular hotel again, they answered in the affirmative. These responses were once again recorded in a hotel solely owned by a Ghanaian

confirming the Ghanaian attitude in business. On the other hand the sense of approval given to the other hotels could be attributed to measures put in place to get the right people for organisational success.

#### **CHAPTER FIVE**

#### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### Introduction

This chapter is devoted to the summary of the study findings, conclusions, recommendations, and suggested areas for future research.

## **Summary**

This study set out to find out the human resource management practices employed in the top rated hotels in Accra to attract, equip and retain staff that will provide quality service to customers. The research was done by surveying 65 employees and interviewing all five human resource managers as well as 30 guests of the selected hotels. Questionnaire were administered to the employees to find out how they were recruited and selected; the training programmes in place to equip them; the compensation and benefits package available to motivate them; employees awareness of human resource management practices in the hotel and the service quality of the hotels

At the end of the study, several observations were made and these include the fact that top rated hotels, especially those with foreign ownership and partnership, stringently employ human resource management practices to attract, equip and retain the best employees for quality service. However those hotels with local ownership to a large extent do not strictly employ human resource management practices. As a result all six guests of that hotel rated their service as average.

Opoku (1999) in her study of the lower rated hotels, attributed the lapses in the human resource management practices in the hotels surveyed to the "take it for granted attitude" of these lower rated hotels. However the above observations attest to the fact that the non-application of strict human resource management strategies does not necessarily pertain to lower rated hotels as suggested by Opoku but, seem to be the Ghanaian mentality or attitude towards business. She found this syndrome in the lower rated hotels which are mostly owned by Ghanaians and concluded that it pertained to the lower rated hotels but these observations in a top rated locally owned hotel is indeed an indication of a Ghanaian mentality or attitude towards business and therefore has nothing to do with the size, class and rating of the hotel.

The study also found that the top rated hotels had human resource management departments which are mostly manned by qualified persons. This is because effective recruitment and selection processes are employed to get the right calibre of staff. Training, compensation and benefits policies are in place and employed to equip and maintain staff to deliver quality service. Four out of the five human resource managers interviewed indicated that they experience fairly low turnover rates and this is because of the fact that majority of staff are satisfied with their job. This was further confirmed by the number of respondents who indicated they were satisfied with the conditions of service in the hotels.

It also came out that the people employed in these hotels were qualified and majority of them had secondary and tertiary/professional levels of education. Effective measures were in place and employed to get the right people to offer quality service. Management strongly believed in training such that training policies and schemes were in place and regularly employed to equip employees with the requisite skills to enable them provide customer-oriented service. The conditions of service were comparatively better as compensation and benefit policies were in place and employed to motivate employees as well as retain them. As a result of these measures the human resource managers disclosed in the in-depth interview that labour turnover in the hotel were fairly low with the exception of the locally owned hotel which has a fairly high turnover rate. Infact some of the employees in the other hotels came from the locally owned hotel to seek better conditions of service. This was revealed in the response to the question of whether respondents had ever worked in any hotels and their reasons for leaving the previous hotels. Management further hinted that recruitment and selection begins with the formulation of manpower plan which sterns from the organisations mission and vision. New employees were formally introduced to the job, trained on a regular basis and motivated in the form of attractive compensation and benefit packages for optimum work performance.

The majority of the employees were also well aware of the human resource management practices in the hotels as they were able to provide suggestions as to areas that needed to be improved in human resource management. That was a strong indication of the effectiveness of human resource

management in these hotels. With these conditions prevailing in the top rated hotels, a total customers or guest of 24 out of 30 rated the performance of the front office staff as very high and their service quality as very good. When asked if they would patronise the respective hotels again on their next visit, they responded in the affirmative, giving service quality as the reason why they would patronize the hotels again.

#### **Conclusions**

Obviously the role played by tourism and the hospitality industry in the modern economy both nationally and worldwide can not be overemphasized. The fact that tourism is one of the major foreign exchange earners is enough evidence of this phenomenon. However its survival depends very much on repeated patronage which is as a result of quality service. It is therefore necessary to take a second look at the human resource management strategies in the hotel sector so that the bird that lays the golden egg may not be killed.

#### Recommendations

Based on the findings and conclusions of the study, the following recommendations are made:

• It is recommended that management of locally owned hotels must be prompted by the Ghana Tourist Board on the importance of the formulation, implementation and adherence of comprehensive human resource policies so as to improve on the quality of service offered.

- Again, it is recommended that the hotels with local ownerships should employ high quality human resources who have the required knowledge to manage and steer the affairs of these hotels to provide the quality of services to the client.
- Finally, owners of these hotels thus (low rated and top rated hotel) should provide training and retraining of personnel to equip them with the innovative and current management practices to improve productivity.

## **Areas of further research**

It is also proposed that further studies be carried out on the effectiveness of each human resource practice in the hotel industry using smaller samples. Also the relation between compensation, benefits and performance could be looked at critically.

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## **APPENDICES**

## APPENDIX I

# QUESTIONNAIRE FOR STAFF OF THE HOTEL INDUSTRY

The research is looking for information on Human Resources Management in the Hotel industry in Ghana. The information required is purposely for academic work; as such any information that will be given will be treated confidential. Kindly provide accurate and objective answers to the various items. Thanks for your co-operation.

1. Grade of Hotel:				•••
2. Department:			•••••	•••
3. Position:				
4. Which is your highest qualification	ations/level of	f education?		
Middle School Leaving Ce	ertificate	[ ]		
Secondary (GCE 'O' / 'A'	Level/ SSS	[ ]		
Tertiary / Professional	[ ]	University	[ ]	
Post-graduate Diploma	[ ]	Masters	[ ]	
Others (specify)	[ ]			
5. How long have you worked in	this Hotel?		•••••	
6. Have you worked in any other	r Hotel before	? i. Yes [ ] ii	No	[ ]
7. If 'Yes' (to question 6) then ho	ow long did yo	ou work and in wh	at capacity	?
8. If 'Yes', (to question 6) state re	easons for you	ur leaving the Hote	:1?	

9. How s	satisfied a	re you wi	th cond	ditions	of servic	e in yo	our pre	sent H	otel?	
i	Very Sati	sfied	[ ]	ii. Sa	tisfied			[ ]		
ii	i. Dissatis	sfied	[ ]	iv. Ve	ery Dissa	itisfied	Į.	[ ]		
10. State	reasons f	or choosi	ng any	of the	above?					
••••				•••••					, <b></b> .	
11. Do y	ou intend	to work i	n this l	Hotel fo	or the gro	eater p	art of y	your w	orking	; life or
till retire	ment?									
i	Yes	]	]	ii	No	[ ]				
12. If 'Ye	es', state	reasons o	r expla	in why						
13. If 'No	o', state r	easons or	explai	n why.						
	did you h					•••••		• • • • • • •	•••••	•••••
	•			•						
F	riends	[]	F	Relative	s who w	ork in	the Ho	otel	[	[]
C	Close asso	ciate who	has co	ontacts	with the	hotel	manage	ement	[	]
A	dvertisen	nent[]	O	thers (s	pecify)					
15. Did y	ou attend	any selec	ction i	nterviev	v? i.	Yes	[ ] i	i No	)	[ ]
16. What	t other sel	ection pro	ocess d	lid you	undergo	?				
i. Select	ion test	ii. Asses	sment	centre	iii. Hanc	dwritin	ig test	iv. Otl	hers (sj	pecify)
17. Was	there any	orientati	on or i	nductio	n progra	amme	organiz	zed (a	formal	-
introduct	tion to the	Job) whe	en you	were e	mployed	initia	lly.			
i.	Yes [	] ii.		No	[ ]					
18. Sinc	e you wei	e employ	ed, ha	ve ever	attended	d a trai	ning p	rogran	nme?	

	i.	Yes		ii.	No	[ ]				
19.	Was the tr	raining rela	ted to your j	job? i.	Yes	[ ]	ii.	No	[ ]	
20.	State the t	training pro	grammes yo	ou have	received	d if the	answ	er to qu	uestion 1	.8
is y	es			•••••		•••••				. <b>.</b> .
21.	If your ans	swer to que	stion 18 is '	No' – s	tate reas	ons?				
22.	Apart fron	n the trainir	ng programn	nes wha	at other a	areas in	hum	an reso	ources	
maı	nagement c	do you thinl	k should be	improv	ed in the	Hotel	Indu	stry?		
23	Give a ger	neral accecc	ment of HR	M prac	tices in t	he hote	.1			

## **APPENDIX II**

# IN-DEPTH INTERVIEW WITH MANAGEMENT OF THE HOTEL

## **INDUSTRY**

The researcher is looking for information on Human Resource in the Hotel Industry in Ghana. The information required is purposely for academic work; as such any information that will be given will be treated confidential. Kindly provide accurate and objective answers to various items. I do highly appreciate your co-operation. Thank you.

1. What is the staffing composition of ye	our Hotel?
Mainly relatives [ ]	Few relatives [ ]
No close relatives [	]
2. Indicate their qualification and specif	y roles performed by relatives, if any:
3. Do you carry out job analysis before	recruitment:
i. Yes [ ]	ii. No [ ]
4. What methods of recruitment do you	employ?
i. Advertisement in National press [	] ii. Recruitment Consultant [ ]
iii. Radio/TV [ ] iv. Advertising A	gency [ ]
v. Other forms of recruitment (Specif	·y)
5. The selection methods employed by t	he management are usually based upon:
i. Relations with the prospective	applicants [ ]
ii. The qualification of candidate	s [ ] iii. Others (specify) [ ]
6. Do you normally organize training	ng for your staff

j	i.	Yes	[ ]	ii.	No		[	]	
7. If 'Ye	es' wha	at type of	training p	rogramn	nes do you	organ	ize f	or your	workers?
8. If 'No	o' state	reasons:.		•••••			• • • • •	• • • • • • • • • • • • • • • • • • • •	••••
9. Hav	e you e	ever spons	ored any	of your	workers for	r profe	essio	nal cou	rse?
j	i.	Yes	[ ]	ii. N	o [	]			
10. Brie	fly, co	mment on	the turno	over rate	of your sta	ff?			
11. State	e few r	easons for	r the turn	over					
12. Is th	is Hote	el owned l	oy a forei	gn hospi	tality comp	any?			
					ii. No	•	1		
					source mai			in vour	hotel?
				14111411 10				in your	noter.
1	i. Yes	[ ]			ii. No	L	J		
14. Wha	at are s	ome of the	e policies	on huma	an resource	mana	ıgem	nent in y	our Hotel?
15. WI	nat ince	entive pac	kages do	you have	e in place f	or you	ır wo	orkers?	
							. <b></b>		
16. Sta	te the	problem	ıs manaş	gement (	encounters	in t	heir	humar	n resources
manage	ment a	ctivities?							
17. Are	these p	problems l	peyond yo	our (man	agement) s	olutio	n tha	at they r	equire
governn	nental	interventi	ons?						
	i.	Yes	[ ]		ii.	No		Γ	

## APPENDIX III

# IN-DEPTH INTERVIEW WITH GUEST/CUSTOMER OF THE HOTEL

The research is looking for information on Human Resources Management in the Hotel in Ghana. The information required is purposely for academic work; as such any information that will be given will be treated confidential. Kindly provide accurate and objective answers to various items. Thanks for your co – operation.

1. Type of Guest/Customer: i. Pleasure tourist [ ] ii. Business tourist [ ]
iii. Others (specify)
2. Origin of Guest: i. Local [ ] ii. Foreign Traveller [ ]
3. Is this your first visit to this hotel? i. Yes [ ] ii. No [ ]
4. If "No" state the number of times you have been here?
i. Once [ ] ii. Twice [ ] iii. Many times [ ]
5. How did you get to know this hotel?
Hotel guide books [ ] Friends/relatives [ ] Personal recommendations [ ]
Advertisements [ ] Location of the hotel [ ]
6. Was your decision to stay in this hotel?
i. Impulsive [ ] ii. Deliberate [ ]
7. Did the front office staff discuss with you the type of services and facilities of
the hotel to you and one that suits your needs?
i. Yes [ ] ii. No [ ]
8. How would you rate the front office staff on the following?

(i) Very good (ii) Good (iii) Average (	(iv) Fairly	satisfactory		
Good social skills	[ ]	[ ]	[ ]	[ ]
Knowledge of accommodation product	[ ]	[ ]	[ ]	[ ]
Knowledge about check in procedures	[ ]	[ ]	[ ]	[ ]
Handing of guest queries	[ ]	[ ]	[ ]	[ ]
Pleasant manners	[ ]	[ ]	[ ]	[ ]
Ability to communicate English Language	ge [ ]	[ ]	[ ]	[ ]
Check – out procedure	[ ]	[ ]	[ ]	[ ]
9. Did the hotel staff tried to find out how	w satisfied	you were a	fter offering	g you a
service? i. Yes [ ]	ii.	No	[ ]	]
10 Was there any situation that you felt u	ınwanted a	and uncared	for in the h	notel?
i. Yes [ ]	ii. No	)	[ ]	
11. How would you rate the performance	e of front o	ffice persor	nnel of the l	hotel?
i. High [ ] ii. Average	[ ]	iii. Low	[ ]	
12. How would you rate the service rend	ered by the	e staff?		
i. Very good [] ii. Good [] i	iii. Averag	e [ ]		
13. Would you like to stay in this hotel o	n your nex	at visit?		
I Yes [ ] ii	No	. [ ]		

14. State reasons for your answer to question '12'